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Common Carrier Pipeline

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PUBLIC SERVICE
COMMISSION

ANNUAL REPORT

For Year Ending December 31, 2006

OF

ConocoPhillips Pipe Line Company

to

THE PUBLIC SERVICE COMMISSION

OF THE STATE OF MONTANA

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Date	
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INSTRUCTIONS

Section 69-13-301, MCA, Requirements in ARM 38.7.102, **Rule II: ANNUAL REPORTS** (1) Each Intrastate Common Carrier Pipeline Company shall file with the Commission, at its office in Helena, MT an annual report for each calendar year. This Report shall be filed not later than the 30th day of April next following the year for which the report is made. The report shall show the names of officers, directors and the residences of each; amount of capital stock and bonded indebtedness outstanding; capital investment with additional investments made during the year; assets and liabilities; revenues and expenditures; depreciation; statistical data as to petroleum delivered and lost during transportation (as it relates to Montana).

(2)... The above stated ARM 38.7.102 may be fulfilled by submission of Federal Energy Regulatory Commission (FERC) Form 6 Annual Report of oil pipeline companies, supplemented by such other forms as the Commission may prescribe. The supplemental forms shall be duly verified under oath by an officer of the company.

OPERATING PROPERTY

For Year 2006

	System		Montana	
	Bal Begin Year	Bal End Year	Bal Beg Year	Bal End Year
GATHERING LINES				
Land	568,520	567,195	2,107	782
Right of Way	2,927,053	2,959,561	56,049	65,667
Line Pipe	21,844,055	20,042,168	2,892,713	1,088,954
Line Pipe Fittings	5,020,463	8,297,781	732,699	169,964
Pipeline Construction	35,749,015	33,066,904	3,961,388	1,308,913
Buildings	1,798,967	1,919,988	203,838	86,710
Boilers	0	0		
Pumping Equipment	3,855,920	3,874,120	499,727	83,198
Machine Tools & Machinery	919,685	1,068,847	20,675	4,632
Other Station Equipment	23,123,991	24,983,357	1,254,292	574,783
Oil Tanks	8,680,170	9,144,594	1,214,458	189,711
Delivery Facilities	(43,394)	(43,394)	3,239	3,239
Communication Systems	1,090,576	1,085,267	13,730	3,821
Office Furniture and Equipment	192,596	126,377	10,216	4,556
Vehicles & Other Work Equipment	(103,087)	83,096	(78,065)	9,763
Other Property	43,040	39,542	43,798	43,798
Asset Retirement Costs for Gathering Lines	0	0	0	0
TOTAL	105,667,570	107,215,403	10,830,864	3,638,491
TRUNK LINES				
Land	4,247,656	5,203,460	172,174	173,913
Right of Way	18,788,771	19,069,463	612,912	612,912
Line Pipe	184,662,284	182,148,353	21,917,704	21,917,704
Line Pipe Fittings	28,386,995	39,020,952	5,143,984	5,794,754
Pipeline Construction	274,880,309	282,826,535	30,566,005	30,590,134
Buildings	17,273,451	17,982,425	2,524,651	2,571,877
Boilers	3,560,859	1,849,637		
Pumping Equipment	33,013,366	43,338,453	7,952,565	11,294,539
Machine Tools & Machinery	658,396	658,396	193,446	193,446
Other Station Equipment	154,848,199	165,244,126	35,153,808	35,394,477
Oil Tanks	63,842,815	67,167,025	4,069,624	4,071,889
Delivery Facilities	69,088,015	70,060,596	(28)	(28)
Communication Systems	3,662,035	5,087,840	285,096	285,096
Office Furniture and Equipment	12,989,320	15,091,611	26,499	26,499
Vehicles & Other Work Equipment	10,931,725	11,158,082	(99,593)	(50,948)
Other Property	644,347	644,347	134,393	134,393
Asset Retirement Costs for Trunk Lines	49,881,300	12,714,593	0	0
TOTAL	931,359,843	939,265,894	108,653,240	113,010,657
GENERAL				
Land	1,724	1,724	0	
Buildings	23,944	23,944	0	
Machine Tools & Machinery	26,377	26,377	0	
Communications Systems	0	0	0	
Office Furniture	1,525,204	1,525,204	0	
Vehicles & Other Work Equipment	(1,668)	(1,668)	0	
Other Properties	1,324,961	1,324,961	0	
Asset Retirement Costs for General Property	0	0	0	
Construction Work in Progress	53,782,649	46,952,796	4,007,294	2,525,377
TOTAL	56,683,191	49,853,338	4,007,294	2,525,377
GRAND TOTAL	1,093,710,604	1,096,334,635	123,491,398	119,174,525

INCOME ACCOUNT**MONTANA****As of December 31, 2006**

	This Year	Last Year
OPERATING REVENUES		
Pipeline Operating Revenues	33,127,983	34,598,374
Other Earnings from Operations	0	0
Total Operating Revenues	33,127,983	34,598,374
OPERATING EXPENSES		
Pipeline Trans. & Other Oper. Expenses	8,727,240	12,268,086
Rental Expense	1,845,423	967,118
General Expense	1,001,900	832,888
Total	11,574,563	14,068,092
Depreciation	2,953,256	2,884,080
Taxes, Federal Excluded	3,392,958	2,066,034
Federal Taxes	(998,971)	10,368,989
Total Operating Expenses	16,921,806	29,387,195
Net Operating Expenses	16,206,177	5,211,179
Non-Operating Revenues (Net)	13,665	183,240
Gross Income	16,219,842	5,394,419
DEDUCTIONS FROM GROSS INCOME		
Interest on Funded Debt		
Interest on Other Debt		
Other Deductions		
Total	0	0
Net Income	16,219,842	5,394,419
DISPOSITION OF NET INCOME	Not Allocated Among States	
Dividends		
Surplus or Deficit for Year		
Surplus or Deficit Beginning of Year		
Adjustments During Year		
Surplus or Deficit at Close of Year		

ALLOCATION INFORMATION

CONOCOPHILLIPS PIPE LINE COMPANY

As of December 31, 2006

BASIC DATA		SYSTEM	MONTANA	BALANCE OF SYSTEM
INVESTMENT				
	Lines of Pipe	\$1,049,381,839	\$116,649,148	\$932,732,691
	Other (included CWIP, M & S)	\$46,952,796	\$2,525,377	\$44,427,419
USE				
	Barrel Miles	65,576,794,850	7,629,452,397	57,947,342,453
TERMINAL				
	Originating Barrels	534,909,916	47,358,632	487,551,284
	Terminating Barrels	264,547,423	34,741,928	229,805,495
MILES				
	Pipe	7,735	967	6,768

NOTES:

**PROPERTIES IN MONTANA PURCHASED OR SOLD DURING
THE YEAR 2006**

TYPE	LOCATION	PURCHASE OR SALES PRICE
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No acquisitions or dispositions of properties in Montana

AFFIDAVIT

STATE OF OKLAHOMA)
) ss.
 County of WASHINGTON)

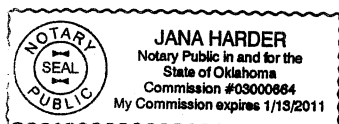
I, the undersigned, on oath do say that the foregoing return and any accompanying schedules have been prepared from the original books, papers and records of ConocoPhillips Pipe Line Company; that I have carefully examined the same; and declare the same to be a complete and correct statement of the business and affairs of the said company in respect to each and every matter and thing set forth, to the best of my knowledge and belief; and I further say that no deductions were made before stating the gross earnings or receipts herein set forth, except those shown in the foregoing accounts.

Gary Clendenning
 (Signature)

Gary L. Clendenning
 Coordinator, Regulatory Reporting
 (Official Title)

SUBSCRIBED AND SWORN to before me at Bartlesville, Oklahoma

this 30th day of April, 2007.



Jana Harder
 (Notary Public)

Jana Harder
 (Name printed or typed)

My Commission Expires: 1-13-11